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CENTRAL INTELLIGENCE BULLETIN

17 December 1958

DAILY BRIEF

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I. THE COMMUNIST BLOC

*USSR: Recent Soviet public statements and private remarks by Khrushchev provide further evidence that the USSR envisages its Berlin move as the opening phase of a major political offensive in Europe. In a conversation with the Italian ambassador on 13 December, Khrushchev expressed his desire for a top-level meeting to discuss not only Berlin, but also a German peace treaty, a nonaggression pact, European security, reduction of forces in Germany, and withdrawal of foreign troops from Europe. He said the Berlin problem was probably the least important of all these measures.

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 No	UAR-Iraq: Nasir may be beginning an open propaganda campaign against Communist influence in Iraq, which he has hitherto sought to combat clandestinely. Cairo's Al-Akhbar, a newspaper published by a confidant of Nasir, has referred for the first time to anti-UAR activity by Communists in other Arab states, citing such activity in Baghdad. The pro-UAR press in Lebanon has been attacking the Iraqi Communists for the past week.	25X 1
<i>V</i>)0	Burma: Former Premier U Nu, in his first major political address since leaving office last October, has expressed confidence that General Ne Win would hold elections in April as promised, thus in effect warning the army not to try to stay in power indefinitely. U Nu also denied that he would quit	25X
25X1	politics. Nu's speech may foreshadow increased efforts by Burmese political elements to mobilize public opinion against the army's indefinite retention of power. 17 Dec 58 DAILY BRIEF ii	25X
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III. THE WEST



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Cuba: Demoralization continues to spread in the army, and even high officers are now reported to believe there is no hope of defeating the rebels. The government, however, has been building up its forces in Santiago and dropping leaflets in Oriente Province urging the civilian population to leave immediately to avoid air and land attacks against the rebels. A major offensive by the government at this time is not likely to end in a decisive victory for either side.

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17 Dec 58

DAILY BRIEF

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I. THE COMMUNIST BLOC

USSR Seeks to Exploit Berlin Crisis to Advance Broader Aims in Europe

There are increasing indications that the Soviet leaders envisage their move to precipitate a crisis over Berlin as the opening phase of a major political offensive in Europe. Recent Soviet public pronouncements and private remarks by Khrushchev reflect the Soviet desire to exploit the Berlin issue to attract greater interest in various disengagement schemes which would lead to the demilitarization and neutralization of Germany.

In a conversation with the Italian ambassador on 13 December, Khrushchev indicated his desire for a top-level meeting to discuss not only Berlin, but also a German peace treaty, a nonaggression pact, European security, reduction of forces in Germany, and withdrawal of foreign troops from Europe. He said the Berlin problem was probably the least important of all these measures.

Khrushchev took this same line in an interview with the correspondent of a Munich newspaper. He contended that acceptance of his Berlin proposal would be a "point of departure" for improving the general European situation and would create "favorable preconditions" for dealing with such problems as the creation of a demilitarized zone in Central Europe by a pull-back of the forces of the "two opposing military groups." He also proposed a mutual reduction and eventual withdrawal of foreign forces in Germany and even the complete withdrawal of foreign forces from Europe.

The Norwegian ambassador in Moscow believes Khrushchev dangerously misjudges Western firmness regarding Berlin. He says Khrushchev asked him two weeks ago if he really thought the Western powers would fight over Berlin and said it was unthinkable they would do so.

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Approved For Release 2002/09/04 : CIA-RDP79T00975A004200130001-0
17 Dec 58 CENTRAL INTELLIGENCE BULLETIN Page 1

25X1 Approved For Release 2002/09/04 : CIA-RDP79T00975A004200130001-0 Next 4 Page(s) In Document Exempt

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Nasir and Iraqi Communists

The 13 December issue of the Cairo daily Al Akhbar, published by a confidant of President Nasir, carried three brief items critical of Communist anti-UAR activity in Iraq. With the exception of infrequent announcements of the arrest of local Communists, this is the first known instance of Egyptian press comment on Communist activity in an Arab country. Together with recent attacks on the same subject in the pro-UAR Lebanese press, the Al Akhbar items could foreshadow an open propaganda campaign by the UAR against Communist influence in Iraq.

The Iraqi situation poses a dilemma for Nasir. Heavily dependent as he is on Soviet economic and military support, he may hesitate to force a showdown on the Communist issue at this time. He is said to be convinced, however, that the USSR will not ignore an opportunity to effect a Communist take-over in Iraq. 25X1 25X1 The Communist-led demonstrations against Assistant Secretary Rountree, showing again the Communists' capability to incite mob action in the face of army security measures, seems likely to increase the Iraqi Army leaders' concern for internal security. The Rountree visit is being used by the Communists, not only to whip up anti-American sentiment, but also to maintain the condition of political tension which they helped create last week when the pro-UAR plot 25X1 was exposed by Qasim. 25X1

Approved For Release 2002/09/04 : CIA-RDP79T00975A004200130001-0 17 Dec 58 CENTRAL INTELLIGENCE BULLETIN Page 5

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III. THE WEST

Cuban Army Preparing New Offensive Against the Rebels

A build-up of Cuban Army troops in Santiago and the arrival of tanks, armored cars, and other supplies in the last few days indicate that the Batista government may be preparing its long-expected offensive against the rebels. The army has dropped leaflets urging the civilian population to evacuate areas where action is contemplated, warning that air and land attacks will be made. Opposition elements claim that the government is planning a "scorched-earth reprisal policy."

Despite these signs that the army is preparing a concerted drive, discontent and demoralization continue to spread in the armed forces. Even high officers close to the chief of staff are now reported to believe that there is no hope of defeating the rebels.

Previous ''all-out'' government offensives have failed, and
it seems unlikely that a new offensive will be any more success-
ful, despite the government's superior arms. Many of the army
troops are green and lack the will to fight, whereas the rebels,
riding a wave of successful campaigns, are a determined battle-
hardened force. A major offensive now would probably not re-
sult in a decisive victory for either side.

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